

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6334

BILL NUMBER: SB 86

NOTE PREPARED: Jan 12, 2011

BILL AMENDED:

SUBJECT: Unemployment Benefits Qualifications.

FIRST AUTHOR: Sen. Leising

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: X GENERAL
X DEDICATED
X FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires that an applicant for unemployment benefits must state, under penalty of perjury, that the applicant will refrain from the knowing or intentional possession and use of: (1) a controlled substance; or (2) a controlled substance analog; without a valid prescription or an order from a practitioner during the period that the applicant receives benefits if benefits are awarded.

Effective Date: July 1, 2011.

Explanation of State Expenditures: The impact on the state would be as a employer and also on the Unemployment Trust Fund. The impact on the state as an employer would be minor.

Background: The state paid about \$4.6 M in FY 2010, \$4.1 M in FY 2009, and \$4.1 M in FY 2008 to the Unemployment Insurance Fund as an employer.

The impact on the trust fund would depend on the number of recipients that committed perjury and had their benefits eliminated.

The trust fund paid about \$1 B in CY 2010, \$1.9 B in CY 2009, and \$1 B in CY 2008 for unemployment benefits.

Explanation of State Revenues:

Explanation of Local Expenditures: The impact on local units would be as an employer. The impact would

probably be minor.

Explanation of Local Revenues:

State Agencies Affected: All.

Local Agencies Affected: All.

Information Sources: Auditor's Trial Balance.

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